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2 TDC CST ACC (S)

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COMMERCE

(Cost Accounting)

(Speciality)

Full Marks : 70

Pass Marks : 28

Time : 3 hours

*The figures in the margin indicate full marks
for the questions*

1. (a) Define Cost Accounting. How is Cost Accounting different from Financial Accounting? 4+10=14

Or

- (b) Explain in brief the different methods of costing. How are costs classified under Cost Accounting? 7+7=14

2. (a) From the following information, prepare a statement showing how the issues would be priced, if LIFO method is followed :

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- 1.2.2013—Opening balance 100 units at ₹ 100 each
 2.2.2013—Received 200 units at ₹ 150 each
 3.2.2013—Received 300 units at ₹ 160 each
 4.2.2013—Issued 400 units to job A
 6.2.2013—Issued 120 units to job K
 7.2.2013—Received 400 units at ₹ 110 each
 10.2.2013—Issued 200 units to job B
 11.2.2013—Received 300 units at ₹ 140 each
 13.2.2013—Received 200 units at ₹ 150 each
 17.2.2013—Issued 400 units to job D

Or

- (b) What do you mean by material control? Explain the importance of material control in a modern manufacturing concern.

6+8=14

3. (a) From the following data, calculate total monthly remuneration of three workers X, Y and Z :

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- (i) Standard production per month per worker 1000 units
- (ii) Actual production of the month :
X—800 units, Y—700 units and
Z—900 units
- (iii) Piece work rate per unit of actual production is 15 paise
- (iv) Dearness Allowance ₹ 40 per month (fixed)
- (v) House Rent Allowance ₹ 20 per month
- (vi) Additional production bonus @ ₹ 5 for each percentage exceeding 75% of actual production over standard

Or

- (b) Define labour turnover. Explain the causes of labour turnover. How are accounting entries recorded for abnormal loss due to labour turnover?

4+6+4=14

4. (a) The following expenses were incurred annually in respect of a factory having eight machines of similar nature :

- (i) Lighting for the factory—₹ 1,600
- (ii) Supervision—₹ 1,800
- (iii) Repairs—₹ 4,800
- (iv) Rent and Rates—₹ 8,000
- (v) Attendants : Two persons looking after eight machines paid @ ₹ 120 per month each
- (vi) Interest paid on loan—₹ 4,000
- (vii) Power consumed for the shop at 20 paise per unit—₹ 19,200
- (viii) Depreciation per machine—₹ 600
- (ix) Sundry supplies for factory—₹ 480
- (x) Each machine consumes 10 units of power in an hour

Calculate machine hour rate.

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Or

- (b) Define factory overhead. How are overheads classified? Explain in brief.

4+10=14

5. (a) The following data are extracted in respect of a contract for the year ended 31st March, 2013 from the books of a contractor :

	₹
Material issued	60,000
Store purchased	10,000
Wages paid	45,000
Engineer's fees paid	8,000
Direct other expenses	12,000
Overhead charges	18,000
Supervisor's salary	24,000
Hire charges of plant	15,000

The amount of contract price was ₹ 15,00,000. Value of work certified ₹ 2,10,000; cash received from contractee ₹ 1,89,000; cost of work uncertified ₹ 12,000.

Draw up the Contract Account. Ascertain the portion of profit to be taken to Profit and Loss Account and the value of work-in-progress. $9+3+2=14$

(6)

Or

(b) Explain the following : $4+4+3+3=14$

(i) Process costing

(ii) Reconciliation of Cost Accounting
and Financial Accounting

(iii) Operating costing

(iv) Joint product and by-product
